NORTH CAROLINA DIVISION OF **AIR QUALITY**

Application Review

Issue Date: XXX/XX/2019

Region: Winston-Salem Regional Office

County: Randolph **NC Facility ID:** 7600053

Inspector's Name: Robert Barker **Date of Last Inspection:** 10/16/2018

Compliance Code: 3 / Compliance - inspection

Facility Data

Contact Data

Applicant (Facility's Name): Oliver Rubber Company, LLC

Facility Address:

Oliver Rubber Company 408 Telephone Avenue Asheboro, NC 27205

SIC: 3011 / Tires And Inner Tubes

NAICS: 326211 / Tire Manufacturing (except Retreading)

Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V

Permit Applicability (this application only)

SIP: 15A NCAC 2D .0515, 2D .0524, 2D .0530, 2D .0516, 2D.0503, 2D .0524, 2D .1111, 2D .0958,

2D .1806, 2D .0521 & 2D .1109.

NSPS: Subpart IIII

NESHAP: Subpart ZZZZ, XXXX & Case-by-Case

PSD: NA

PSD Avoidance: NA

NC Toxics: (NCGS) 143-215.107(a)(5) (House Bill

Application Data

112(r): NA

Other:

Contact Data			Application Data
Facility Contact	Authorized Contact	Technical Contact	Application Number: 7600053.17A &
Theresa Mower Raw Materials Eng./Env. Coordinator (336) 636-7150 408 Telephone Avenue Asheboro, NC 27205	Steve Scruggs Plant Manager (336) 629-1436 408 Telephone Avenue Asheboro, NC 27205	Ginger Ellis Consultant (864) 367-0481 1020 Lady's Lane Anderson, SC 29621	7600053.18C Date Received: 01/31/2017, 12/18/2018 Application Type: Renewal, Part II 501(b)(2) Application Schedule: TV-Renewal, Significant Part II Existing Permit Data Existing Permit Number: 05051/T21 Existing Permit Issue Date: 02/01/2019 Existing Permit Expiration Date: 01/31/2024

Total Actual emissions in TONS/YEAR:

CY	SO2	NOX	VOC	co	PM10	Total HAP	Largest HAP
2017	0.0200	2.93	196.79	2.46	4.43	2.97	0.5153 [Xylene (mixed isomers)]
2016	0.0100	3.01	203.12	2.52	4.49	3.20	0.5409 [Xylene (mixed isomers)]
2015	0.0100	2.92	190.13	2.44	4.94	4.67	0.8602 [Xylene (mixed isomers)]
2014	0.0100	3.15	191.55	2.60	5.01	4.62	0.8623 [Xylene (mixed isomers)]
2013	0.0200	2.83	218.39	2.37	5.02	21.99	13.38 [MIBK (methyl isobutyl ketone)]

Review Engineer: Gautam Patnaik Comments / Recommendations:

Issue: 05051/T22

Review Engineer's Signature: Date: XXX/XX/2019 Permit Issue Date: XXX/XX/2019
Permit Expiration Date: XXX/XX/2024

I. Facility Description.

This is a tire tread manufacturing facility where raw materials for various rubber compounds including polymers, oils, fillers, curatives, anti-oxidants, etc., are introduced into the Banbury mixers.

II. Purpose of Application

1) Application # 7600053.17A is being submitted to request renewal of the current Title V Operating Permit.

This facility currently operates under Air Quality Permit No. 05051T21 issued on February 1, 2019 which expires January 31, 2024. This application was received on January 31, 2017 while Air Quality Permit No. 05051T20 was in effect. The expiration date for Air Quality Permit No. 05051T20 was October 31, 2017.

However, as per 15A NCAC 02Q .0513(b) "Permit expiration terminates the facility's right to operate unless a complete renewal application has been submitted at least six months before the date of permit expiration." This application was received on January 31, 2017 or at least six months before the expiration date of Air Quality Permit No. 05051T20. The application was considered complete on that date. Therefore, as per 15A NCAC 02Q .0513 (c) "the existing permit shall not expire until the renewal permit has been issued or denied. All terms and conditions of the existing permit shall remain in effect until the renewal permit has been issued or denied."

This application 7600053.17A is for a renewal and according to Title V procedures will be subject to a 30-day public and the 45-day EPA review period.

The applicant also requested changes to the permit as mentioned in the table below:

Requested Revision	Location in Permit	The Applicant's Reason
IES-04 Ink jet printers	Attachment II Insignificant	The maximum usage for the printers was determined to be
(625 lbs/yr)	Activities	greater than had been previously noted. The unit remains
		insignificant. The ink contains MEK, a NC TAP.
IES-05 Shot blast mold	Attachment II Insignificant	The facility plans to add another shot blast operation during 2017
cleaning operation	Activities	so the throughput was revised. The unit still remains
(50,545 lbs media/yr)		insignificant.
IES-10 Above ground	Attachment II Insignificant	Add "Hydraulic Oil" to the description for clarification.
Hydraulic Oil Storage	Activities	
Tank (2000 gal)		
IES-13 Splicing	Attachment II Insignificant	The maximum rolls were determined to be greater than been
operations (109,500	Activities	previously noted due to process improvements. Revise
rolls)		throughput to 109,500. The unit remains insignificant.
IES-16 Rope extruder	Attachment II Insignificant	The maximum throughput was determined to be greater than had
(2,978,400 lbs/yr)	Activities	been previously noted due to process improvements. Revised
		throughput to 2,978,400. The unit remains insignificant.

Requested Revision	Location in Permit	The Applicant's Reason
Add IES-17 Milling (46,866,000 lbs/yr)	Attachment II Insignificant Activities	The maximum capacity of the milling operation which is currently EP-405, EP-406, and EP-408 was reassessed since only three mills remain. The maximum capacity was reduced resulting in the process being insignificant per NCAC 2Q.0503(8). Revised throughput to 46,866,000.
Add IES-18 Tread Ink Marking	Attachment II Insignificant Activities	This process had been confused for IES-04 above. It is a separate process and the ink is not applied by inkjet markers. The maximum usage was determined to be 213 lbs/yr ink.
Remove ES-404, ES-406, and ES-408 as they have been requested to be to IES-17	Section J. Page 3 Section J. Page 12	See IES-17 Milling above.
Revise ES-02 boiler description to 8.37 MMBtu	Section 1. Page 3 and Section J. Page 12	The boiler plate on the unit indicates 8.369 MMBtu. The current permit is for 8.3. Revised rate to 8.37. Also, add EP-500 to the description in Section J.
EFP Diesel fuel-fired emergency fire pump (maximum power output of 315KW)	Section 1. Page 4	The vendor specification states 315KW. Please remove 418 HP from the description.
Remove Strip Mill Process as it has been requested to be moved to IES-17	Section 2 E. Page 5	See IES-17 above.
Add 40 CFR 63 Subpart DDDDD	Section 4. 15A 2D.1109. Page 13	Please include Subpart DDDDD as it applies.
HC + NOx, CO, and PM 3.7, 0.9, and 0.14 respectively	Section K. Page 14 and page 16	Please revise the emissions to match the vendor specification sheet. The specification is as follows: NOX + HC: 3.7 g/kW-hr, PM: 0.14 g/kW-hr, CO: 0.9 g/kW-hr This request was denied since the limits are based on regulations and not on vendor specifications.
Changes need to be made to the language for the emergency generator due to the May 1, 2015 vacatur for emergency demand response.	Pages 16-18	This generator is not used for demand response.

The applicant provided the calculations to determine the above mentioned sources were insignificant. The usage of ink containing MEK in the ink jet printers (IES-04) is addressed in Section V of this review [under 143-215.107(a)(5) (House Bill 952)].

Other changes to the modified permit:

The Strip Milling processes (ES-404 through ES-408) have been removed. These sources are now insignificant activities and are placed in the permit as IES-17 Milling (46,866,000 lbs/yr). The reason they were in the body of the permit was because they were covered by MACT Subpart XXXX (Rubber MACT).

The Responsible Official for this facility Mr. Steve Scruggs in a letter dated March 8, 2019 (received as attachment via e-mail on 3/11/2019), informed DAQ their intention to be a minor

MACT source since their potential of HAPs emissions are less than 10 tons per year of each hazardous air pollutant and less than 25 tons per year of all hazardous air pollutants combined.

2) Application # 7600053.18C is significant modification under 15A NCAC 02Q .0501(b)(2) (Part II), which requires "a construction and operation permit following the procedures set forth in 15A NCAC 02Q .0504 and filing a complete application within 12 months after commencing operation to modify the construction and operation permit to meet the requirements of this Section."

The applicant filed a complete application within 12 months after commencing operation of the control devices (ID Nos. CD-012 and CD-707) which are listed as a 15A NCAC 02Q .0501(b)(2) modification. This submittal fulfills the requirement that was listedsummary of all permitted emission sources and associated air pollution control devices table in the current permit.

The requirements of 2Q .0504 are that the applicant file an application under Section .0300 of this Subchapter of which 2Q .0307 requires "public participation procedures" and allows for "public and EPA comments." Thus, this application will be subject to a 30 day public comment period and a 45 day EPA comment period.

III. Application Chronology

The table below outlines the modification to their permit starting from their last permit renewal (Air Quality Permit No. Air Quality Permit No. 05051T18 issued on November 8, 2012)

Application #	Changes Made to the Permit	Permit Issued
7600053.14A &	Application for the addition of a diesel fuel-fired emergency fire pump and	05051T19
7600053.14B	firing of propane gas in boilers	
7600053.15B	Installed exhaust vent in process area and removed several sources.	05051T20
7600053.18B	Replace two venturi type wet scrubbers and centrifugal separators with two	05051T21
	baghouse dust collectors	

IV. Regulatory Summary

The facility is subject to the following regulations:

- 1. 15A NCAC 2D .0515: "Particulates from Miscellaneous Industrial Processes"
- 2. 15A NCAC 2D .0524: "NSPS for the Rubber Tire Manufacturing Industry (40 CFR 60, Subpart BBB)"
- 3. 15A NCAC 2D. 0530: "Prevention of Significant Deterioration"
- 4. 15A NCAC 2D .0516: "Sulfur Dioxide Emissions from Combustion Sources."
- 5. 15A NCAC 2D.0503: "Particulates from Fuel Burning Indirect Heat Exchangers"

6. 15A NCAC 2D .0524: "NSPS for the area source (Reciprocating Internal Combustion Engines) RICE MACT (NSPS subpart IIII)"

Due to the vacatur of RICE NESHAP and NSPS Provisions for Emergency Engines, the applicant had initially requested some changes to the "Compliance Requirements" in Section 2.1 K 4. g., of the current permit. The Guidance provided by EPA regarding the vacatur which states "the vacated paragraphs specified that emergency engines may operate for a limited number of hours per year in two situations; (1) emergency demand response when the Reliability Coordinator has declared an Energy Emergency Alert level 2, and (2) when there is a deviation of voltage or frequency of five percent or greater below standard voltage or frequency."

In a discussion with the applicant, they stated in an e-mail on 3/12/2019 "these are changes that some permitting bodies in other states have been requiring us to make in permit renewals. If NC DEQ has not been amending these NSPS Subpart IIII requirements, there is no need to make these changes in the Oliver Rubber permit, as the changes are not relevant to the operation of the emergency engine at the facility." Thus, no changes to the "Compliance Requirements" in Section 2.1 K 4. g., of the current permit has been made.

- 7. 15A NCAC 2D .1111: "National Emissions Standards for Hazardous Air Pollutants for Stationary "Reciprocating Internal Combustion Engines" (MACT Subpart ZZZZ)."
- 8. 15A NCAC 2D .0958: "Work Practices for Sources of Volatile Organic Compounds"
- 9. 15A NCAC 2D .1806: "Control and Prohibition of Odorous Emissions"

Sources at this facility are subject to the above regulations. There have been no changes made to the requirements of these regulations.

10. 15A NCAC 2D .0521: "Control of Visible Emissions"

The monitoring requirements for the above regulations have been updated for many of the sources subject to this regulation.

11. 15A NCAC 2D .1109: CAA § 112(j); "Case-by-Case MACT for Boilers & Process Heaters"

The LPG and natural gas-fired hot oil heater (ID No. ES-01) and LPG and natural gas-fired process boiler (ID No. ES-02) are subject to the above regulation till May 20, 2019. With the facility now being minor for HAPs emissions, the requirements for this regulation is being removed from the modification permit.

GACT Subpart JJJJJJ "National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources" applies to boilers in facility that are minor for the emissions of HAPs. However, 40 CFR §63.11195(e) lists "gas-fired boiler" as not subject to this regulation. Thus, the above boilers are exempt from GACT Subpart JJJJJJ.

12. 15A NCAC 2D .1111: "MACT Subpart XXXX – National Emissions Standards for Hazardous Air Pollutants for "Rubber Tire Manufacturing."

With the facility now being a minor for HAPs emissions the requirements for this regulation is being removed from the modification permit. There are no GACT requirements for "Rubber Tire Manufacturing."

13. 15A NCAC 2Q. 0317: "Avoidance Conditions" for 15A NCAC 2D .1111: "Maximum Achievable Control Technology"

The facility demonstrated that the potential emissions of hazardous air pollutants (HAPs) from this facility are less than ten tons per year of each hazardous air pollutant, and less than twenty-five tons per year of all hazardous air pollutants combined. However, as a precaution and following with DAQ policy a requirement is stipulated in the permit which limits the HAPs emissions from the facility such that hazardous air pollutants from the facility shall be less than:

- i. 10 tons per year of each hazardous air pollutant, and
- ii. 25 tons per year of all hazardous air pollutants combined.

Monitoring/Recordkeeping

To ensure that emissions from the facility are less than the 10/25 tons per year limits, shall maintain monthly consumption records of each material used containing hazardous air pollutants such as:

- i. Material Safety Data Sheets (MSDS) or formulation data for cements, inks, paints, and solvents in the manufacturing process,
- ii. Usage of production related cements, inks, paints, solvents, and other production materials containing hazardous air pollutants,
- iii. Use of the latest AP-42 factors in calculating the HAPs from combustion sources LPG and natural gas-fired hot oil heaters (ID Nos. ES-01 and ES-02) and diesel-fired emergency fire pump (ID No. EFP).
- iv. Monthly production throughput data necessary to calculate hazardous air pollutant emissions, and
- v. Monthly hazardous air pollutant emissions calculations and 12-month rolling total hazardous air pollutant emissions calculations by the end of each month for the previous month.

Reporting

The applicant shall submit a semi-annual summary report of monitoring and recordkeeping activities.

These requirements listed above are stipulated in Section 2.2 B., of the modified permit.

V. NSPS, NESHAPS/MACT, PSD, Attainment Status, 12(r), CAM, (NCGS) 143-215.107(a)(5) (House Bill 952), Compliance Status, and Application Processing Schedule:

NSPS

This facility is subject to NSPS Subpart IIII "Standards of Performance for Stationary Compression Ignition Internal Combustion Engines." This Renewal will not affect this regulation.

NESHAP/MACT

Sources at this facility are subject to the "National Emissions Standards for Hazardous Air Pollutants: Rubber Tire Manufacturing" MACT (Subpart XXXX), 2D .1109 Case by Case MACT, and MACT Subpart ZZZZ). With the facility now being minor for HAPs emissions none of these MACTs apply (See Section IV 13., of this review, above), except, MACT Subpart ZZZZ. MACT Subpart ZZZZ applies to area sources and this no change to this regulation.

Attainment Status

This facility is located in Randolph County, which is in attainment according to 2D .0902 and 40 CFR §81.334 "Designation of Areas for Air Quality Planning Purposes."

112(r)

This facility is not subject to Section 112(r) of the Clean Air Act requirements because it does not store any of the regulated substances in quantities above the thresholds in the Rule.

Compliance with (NCGS) 143-215.107(a)(5) (House Bill 952)

The current permit is not subject to any toxic air pollutant requirements. During the permit modification (application # 7600053.15B, Permit # 05051T20), the facility requested removal of toxic emissions limits from their permit. The modeling had shown that the facility was in compliance with all the toxics requirements and removing the toxics conditions did not pose any risk. Thus, the limits were removed from the permit. As per discussion with the applicant the modeling was done for **all sources with their potential emissions**.

During the last modeling demonstration, the pollutants that exceeded their respective Toxic Exemption Pollution Rates (TEPRs) were 1,3-Butadiene, Benzene, Methylene Chloride. These toxics air pollutants (TAPs) were modeled to demonstrate compliance with the acceptable ambient levels (AAL).

The Ink jet printers (IES-04) will use ink that contains MEK, a NC TAP. The total potential emissions of MEK from the facility is 0.1161 lbs per hour. The TEPR rate for this pollutant is 22.5 lbs per hour. Thus, the facility is expected to be be in compliance while using the ink at this source.

This renewal will not increase any toxic air pollutant emissions to the environment and not present an unacceptable risk to human health and thus comply with North Carolina General Statute (NCGS) 143-215.107(a)(5) (House Bill 952).

CAM

The Compliance Assurance Monitoring (CAM) Rule (40 CFR Part 64) applies to pollutant-specific emissions units (PSEU) that are pre-control major sources and use a control device to comply with an emissions limit. In order to be subject to CAM, a source must be subject to an emission limit, use a control device to achieve compliance with this limit, and the "before control" emissions from this source are greater than 100 tons per year of any criteria pollutant or greater than the hazardous air pollution major source thresholds.

None of the sources at this facility are currently subject to CAM and this renewal will not require any facility be subject to CAM.

Compliance Status

Based on compliance inspection report by Mr. Robert Barker, the inspection for this facility was performed on 10/16/2018. The facility has no violations in the past five years. Mr. Barker also, noted "Based on review of records and visual observations, this facility appeared to be in compliance with Air Quality standards and regulations at the time of this inspection."

VI. Consistency Determination, Comments, and Recommendations

A zoning consistency determination is not required for this renewal and second step of a significant Modification.

A professional engineer's seal is not required for this renewal or second step of a significant modification.

The Regional Office, the applicant, and the SSCB (Stationary Source Compliance Branch) were provided a copy of the modified draft permit for this application for their comments and their comments were taken into consideration.

In an e-mail on 5/8/2019 the applicant mentioned that the exempt sources (ID Nos. IES-04 and IES-18) the ink capacity be changed to 895 lbs/yr and 578 lbs/yr, respectively. The applicant provided calculations to ensure that the sources were still exempted.

The applicant objected to the MACT avoidance conditions in Section 2.2 B., of the modified permit, stating "the facility is a true minor source at PTE. The facility is not taking a limit to avoid being a major source. DO NOT understand why there is a "limit."" As per discussions with the supervisors it's a DAQ requirement to have those limits, monitoring, record keeping and reporting requirements in place when a facility becomes a minor source of HAPs from a major source. Also, explained to the applicant in a phone discussion on 5/28/2019. Thus, the MACT avoidance conditions in Section 2.2 B., of the modified permit, is not changed.

On 4/26/2019 Mr. Robert Barker, of the Winston-Salem Regional Office stated "Discussing this with Davis Murphy, he had a couple of comments:

- On page 18, 2.2.B.1.a it would make sense to read "In order to remain classified as a minor source for hazardous air pollutants and avoid applicability of this regulation, the facility-wide emissions shall be less than:.
- Does the removal of the MACT regulations not bring toxics back on to the permit? Or will that only happen if there is a modification that increases TAP emissions?

Responded "the removal of the MACT regulations brings back the issue of toxics. The facility is in compliance with toxics emissions and these issues are addressed in Page 7 of the review, under "Compliance with (NCGS) 143-215.107(a)(5) (House Bill 952).""

The SSCB had no comments.

VII. Table of changes:

Table of changes made in Air Quality Permit No. 05051T22

Page(s)	Section	Description of Change(s)
	Insignificant Activities List	Modified description of Ink jet printers (IES-04)
	Insignificant Activities List	Modified description of Shot blast mold cleaning operation (IES-05)
	Insignificant Activities List	Modified description of Splicing operations (IES-13)
	Insignificant Activities List	Modified description of Rope extruder (IES-16)
	Insignificant Activities List	Inserted new source Milling (46,866,000 lbs/yr) IES-17. This was previously Strip Milling processes (ES-404 through ES-408) in permit 05051T21
	Insignificant Activities List	Inserted new source Tread ink making (IES-18)
4	Emissions source description table	Modified heat rate of LPG and natural gas-fired process boiler (ID No. EP-500)
5	2.1 E	Strip Milling processes (ES-404 through ES-408) in permit 05051T21, removed.
6	2.1 F. 2. c.,	Modified monitoring requirements.
8	2.1 G. 2. c.,	Modified monitoring requirements.
12	2.1 I. 2. c.,	Modified monitoring requirements.
18	2.2 B.	MACT Avoidance condition.
23 through 32	General Conditions	Updated